

**A Study on Taiwan's Digital Platforms Usage Survey
Related to Competition Regulation**

Wang, Su-Wan*

Jheng, Ruei-He

Kuo, Jung-Chin

Xiao, Fu-Ting

Abstract

The advancement of information technology and internet technology has continuously increased the importance and scale of digital platforms. In terms of market value, many digital platforms have become global and dominant companies. In recent years, competition authorities in major countries around the world have put forward their insights on the digital market and formulated relevant regulations or policies with regard to emerging competition issues. This study examines the usage of digital platforms (including search engine platforms, social network platforms, and video platforms) by surveying consumers, advertisers, and media agencies in Taiwan, and in accordance with the data evaluating the competition issues that digital platforms may involve. It is found that the search engines, social networks, and audio-visual platforms most used by Taiwanese consumers are Google, Line, and YouTube, respectively. Among them, the most single homing takes place in relation to search engines and audio-visual platforms. The reason for their continued use is that consumers are accustomed to using such platforms. Social networks are mainly multi-homing, and the reason for their continued use is that these platforms are used by friends and family, and they are easy to apply. Regardless of whether the consumers use search engines, social networks or audio or video platforms, in principle more than 95% of users have no intention of changing platforms. However, even if users change platforms, it will not cause any trouble for half of them. As for advertising agencies or business owners, most of the advertising amounts

Date submitted: January 19, 2023

Date accepted: September 25, 2023

* Wang, Su-Wan, Research Fellow, Chung-hua Institution for Economic Research; Jheng, Ruei-He, Analyst, Chung-hua Institution for Economic Research; Kuo, Jung-Chin, Assistant Professor, Institute of Financial & Economic Law, Southern Taiwan University of Science & Technology; Xiao, Fu-Ting, Ph.D. student, Department of Law, National Taipei University and Lawyer.

on digital platforms are less than 5 million, and account on average for more than 30% of their advertising. This is because by paying for advertising on digital platforms they will reach their target customers more easily. Most users believe that there are no concerns about competition issues when it comes to advertising on major platforms. In addition, most of them agree that the digital platform provides a mechanism to verify the effectiveness of advertising. Google search (based on the keyword) will still be the top digital platform for advertising in the future, followed by Facebook. In terms of evaluating the competition issues that may face digital platforms in Taiwan, since the switching costs for users between various platforms are not high, there are no competition issues involved. However, businesses (advertising agencies and enterprises) may encounter a lack of transparency in the operating mechanism, the unilateral acceptance of platform-provided results, incomplete explanations, and insufficient information when engaging in digital advertising. The competition authorities could further consider whether digital platforms unilaterally change platform rules, hinder competition from other digital platforms by using information opacity, or withhold important information on the operation of the advertising mechanism.

Keywords: Digital Platform, Consumer, Advertising Agency, Enterprise, Market Definition, Restriction of Competition, Unfair Competition, Privacy/Personal Data.